



State of Vermont
Vermont Department of Education
120 State Street
Montpelier, VT 05620-2501

To: Superintendents
Business Managers
Special Education Directors

From: Margaret C. Schelley
Assistant Director for Special Education Finance & Medicaid

Date: State Appropriations for Special Education for FY 2011

Subject: June 25, 2010

Field Memo # 10-07

The purpose of this memorandum is to update you with information on the State Appropriations for FY-2011 for the special education based on the appropriation act passed by the Legislature and signed by the governor.

State K-12 Special Education Funding Formula

As you are probably aware the State Special Education Funding Formula for FY-2011 was level funded. In addition, the appropriation act included notwithstanding language regarding the 60% State share for the funding formula (16 V.S.A. § 2967 (b)) and regarding the Special Education Expenditures Reimbursement rate being calculated to create the 60% State share (16 V.S.A. § 2963 (c)(3)). Therefore the formula calculation will be based on the appropriation level even if that means less than a 60% State share.

In looking at the service plan estimates and our calculations on the amount of federal funds that school districts are likely to use for K-12 special education services, it does not look that this would change the revenue projections that we sent out in December. Therefore we are not sending out any changes to the funding formula projections. However, we wanted to make you aware that there is a possibility that the Special Education Expenditures Reimbursement rate may need to be adjusted at the end of the fiscal year. The rate will need to be adjusted if the K-12 allowable costs not charged to federal funds are greater than what was projected in December.

Essential Early Education (EEE) Grants

The appropriation for EEE grants according to 16 V.S.A. § 2948 (c) was deflated for FY-2011 based on the New England Economic Project index. The grant award documents have already been sent out to the supervisory unions. The total amount appropriated for FY-2011 was \$5,679,216.

If you have any questions, please feel free to contact me at 828-5119.